

Implementing “Medicare-First” Exclusively Aligned Enrollment: Key Steps and Considerations for States

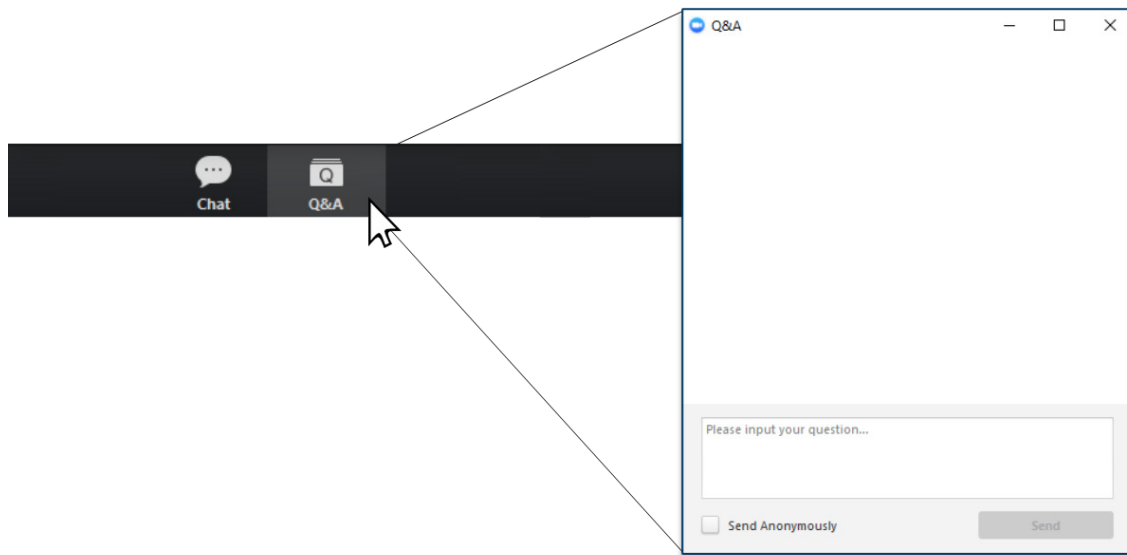
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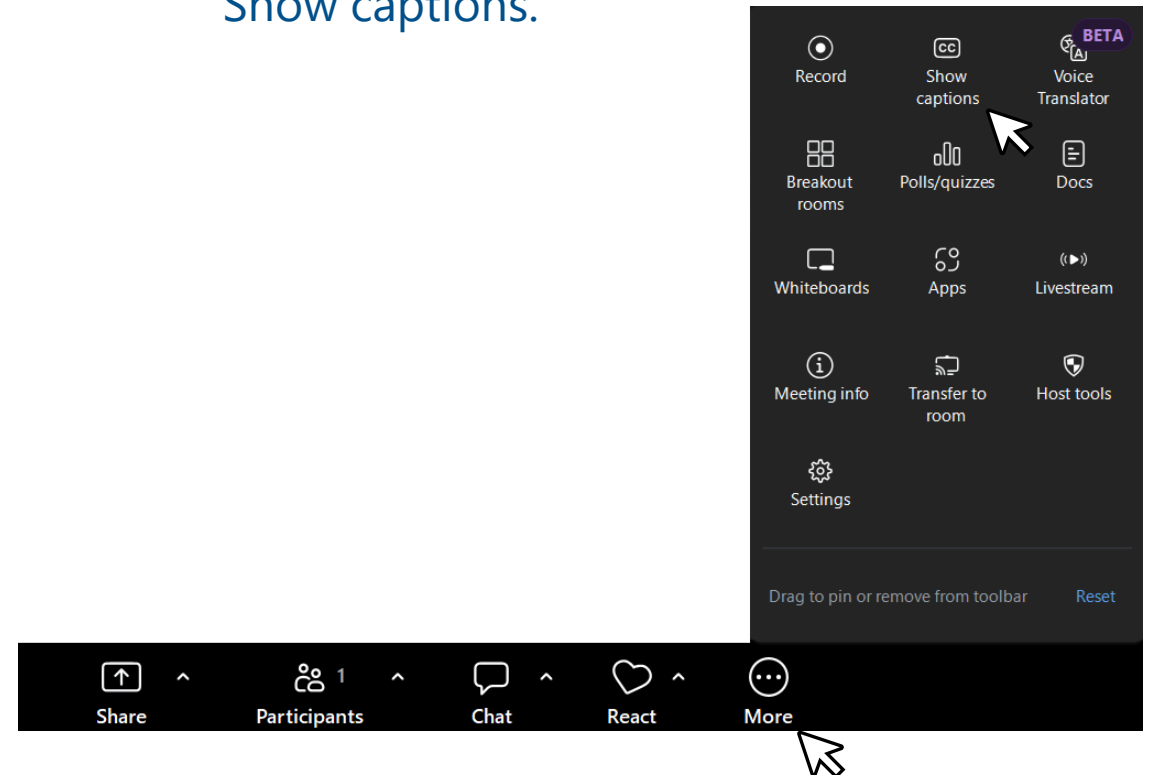
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ICRC resources on exclusively aligned enrollment (EAE)

- This webinar is a part of a suite of resources developed for states by the Integrated Care Resource Center (ICRC) on exclusively aligned enrollment (EAE). These resources include:
 - [Using Exclusively Aligned Enrollment to Integrate Medicare and Medicaid Benefits for Dually Eligible Individuals](#) (Introductory webinar)
 - [Introduction to Exclusively Aligned Enrollment](#) (Introductory tip sheet)
 - [Key Policy Decisions and Considerations for States Preparing for Exclusively Aligned Enrollment](#) (Tip sheet)
 - [D-SNP-Only Contracts: Benefits and Key Steps for States](#) (Webinar)

Today's webinar presents content from ICRC's new EAE resource:

[Key Steps and Considerations for States Using "Medicare-First" Exclusively Aligned Enrollment Processes with Dual Eligible Special Needs Plans \(D-SNPs\)](#)

Agenda

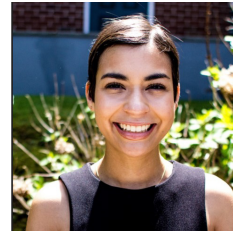
- Welcome and introductions
- Background on exclusively aligned enrollment (EAE)
- Overview of the Medicare Advantage (MA) enrollment process
- Key steps in aligning Medicaid enrollment with dual eligible special needs plan (D-SNP) enrollment
- Key decisions for states in planning for Medicare-first EAE
- Examples of states' technical approaches to implementing EAE
- Questions and answers

Presenters



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Background on EAE

Benefits of EAE

- **What is EAE?**

- EAE occurs when D-SNPs only enroll full-benefit dually eligible individuals who receive Medicaid benefits from the D-SNP or an affiliated Medicaid managed care plan offered by the same parent organization as the D-SNP.

- **Benefits of EAE**

- EAE supports more integrated and coordinated care by enabling states to:
 - Improve coordination of Medicare and Medicaid benefits;
 - Use financial incentives to encourage health plans to streamline care and reduce costs;
 - Access consolidated enrollee utilization and experience-of-care data;
 - Simplify enrollee communications and materials; and
 - Streamline and integrate Medicare and Medicaid appeal and grievance processes.

Upcoming EAE requirements

- Beginning in 2030, some D-SNPs will be federally required to operate with EAE, codified in federal rule at 42 CFR §422.514(h).
- The requirement applies to D-SNPs that:
 - 1) Enroll full-benefit dually eligible (FBDE) individuals; and
 - 2) Operate in the same service areas as affiliated Medicaid managed care organizations (MCOs) offered by the same parent organization as the D-SNPs.
- If an organization qualifies for one of the exceptions at 42 CFR §422.514(h)(3), it may offer one or more additional D-SNPs for FBDE individuals that does not operate with EAE.

Fully integrated D-SNPs (FIDE SNPs) are already required to operate with EAE. For more information about the EAE requirements encompassed within these rules, see ICRC's "Tips for States with Dual Eligible Special Needs Plans Affected by 42 CFR §422.514(h) Federal Regulations" available at: <https://integratedcareresourcecenter.com/resource/514htipsheet>.

Selecting an EAE approach

Medicare-first EAE (*focus of today's webinar*)

- **Process:** Full-benefit dually eligible individual first selects an integrated D-SNP, then the state aligns Medicaid enrollment to D-SNP enrollment.
- **Considerations:**
 - Preserves dually eligible individuals' options to choose from multiple integrated D-SNPs, particularly in states with 12-month "lock-in" policies for Medicaid managed care.
 - Increases enrollment in integrated programs.
 - Need to ensure that D-SNP enrollees understand that their Medicaid managed care plan will change due to D-SNP enrollment.
 - Requires states (or state contractors) to take steps to align Medicaid enrollment with D-SNP enrollment.

Medicaid-first EAE

- **Process:** The state restricts D-SNP enrollment to full-benefit dually eligible individuals who are already enrolled in the D-SNP's affiliated Medicaid managed care plan.
- **Considerations:**
 - Requires less effort for the state, as health plans take on the work of ensuring enrollment alignment.
 - May prevent disruption in relationships with providers for whom Medicaid is the primary payer (such as long-term services and supports).
 - May reduce the number of dually eligible individuals enrolled in an integrated care program, particularly in states that use "lock-in" policies in Medicaid managed care.

Overview of the MA enrollment process

Medicare enrollment options

- **Understanding the MA enrollment process is the first step to implementing Medicare-first EAE.**
 - The Centers for Medicare & Medicaid Services (CMS) establishes and oversees Medicare enrollment rules and timelines.
 - Dually eligible individuals may choose to receive Medicare benefits through Original Medicare (with a standalone Part D prescription drug plan) or through an MA plan.
 - D-SNPs are a specialized type of MA plan offered only to dually eligible individuals. D-SNPs use the same enrollment process as other types of MA plans.
 - MA enrollment processes are independent of state Medicaid managed care enrollment processes and cannot be altered to align with state-specific enrollment policies or procedures.
 - States planning to use Medicare-first EAE processes can require the applicable D-SNPs to incorporate language into the Medicare enrollment form (and corresponding enrollment call script) to educate potential enrollees about the fact that their Medicaid managed care coverage will change as a result of enrolling in the D-SNP.

Options for D-SNP enrollment

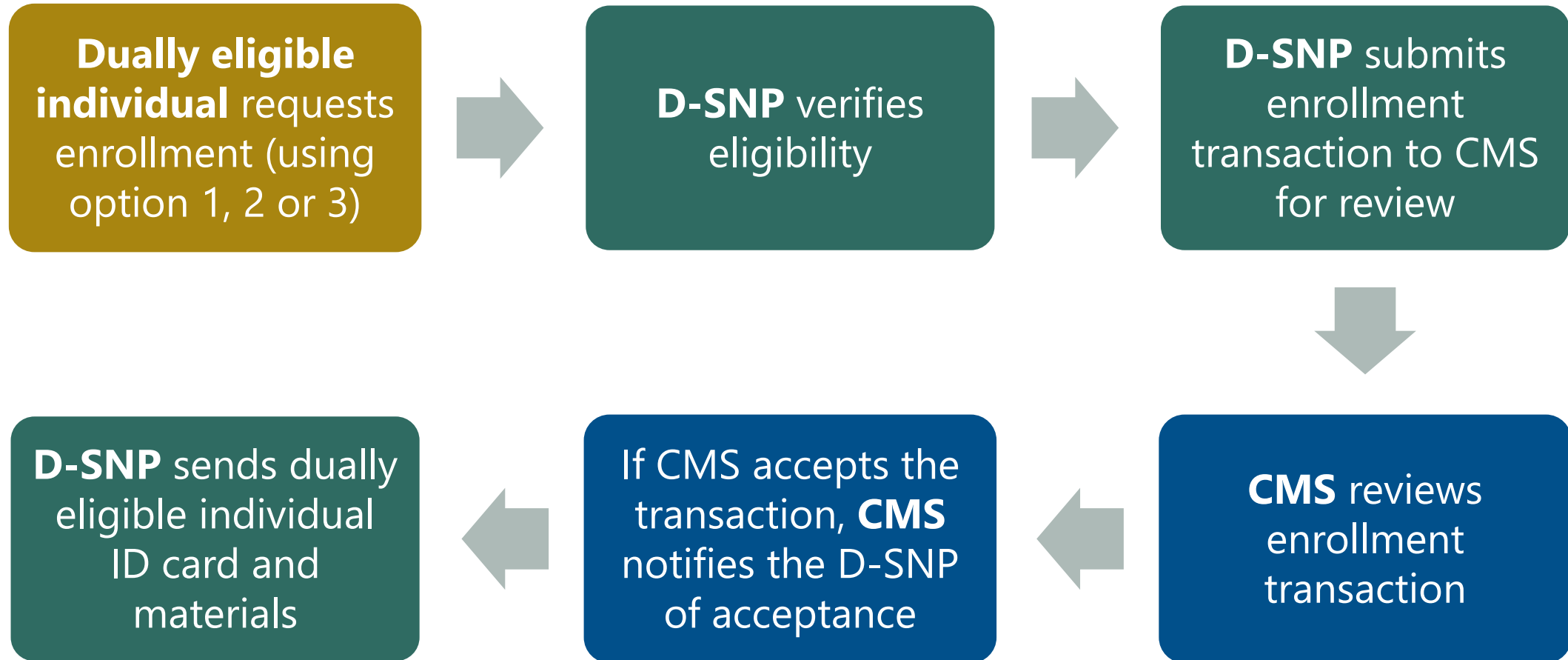
- Dually eligible individuals may enroll in a D-SNP in several ways:
 - **Option 1: Contact CMS**
 - Call 1-800-MEDICARE or use the Medicare.gov online enrollment center.*
 - **Option 2: Contact the D-SNP**
 - Contact the D-SNP directly to submit an enrollment request.
 - **Option 3: Agent or broker assistance**
 - Work with a plan-sponsored or independent broker/agent approved by the D-SNP to submit an enrollment request to the D-SNP.
- Regardless of the option chosen, the enrollment request is ultimately transferred to the D-SNP for eligibility verification and processing.

*Some MA plans, including some D-SNPs, may opt out of the Medicare.gov online enrollment center. In such cases, dually eligible individuals will not be able to use that pathway to enroll in the D-SNP.

D-SNP eligibility verification requirements

- D-SNPs must verify a dually eligible individual's Medicare and Medicaid eligibility (as well as any other state-specified eligibility requirements) before processing the individual's request for enrollment in the D-SNP.
 - D-SNPs verify Medicare eligibility through CMS systems. CMS is the source of truth for Medicare eligibility—not state databases.
 - State-specific eligibility requirements for D-SNP enrollment include dual eligibility status (for example, full- vs. partial-benefit dual eligibility), age (for example, age 65 and older), nursing facility level of care need, managed care program eligibility, or participation in a particular Medicaid waiver or program.
- States commonly instruct D-SNPs to confirm Medicaid eligibility in one of two ways:
 - **Accessing a state provider portal that provides Medicaid eligibility information; and/or**
 - **Submitting a 270 request file to (and receiving a 271 response file from) the state.**
- See ICRC's technical assistance (TA) brief on Medicare-first EAE for sample state Medicaid agency contract (SMAC) language about eligibility verification:
<https://integratedcareresourcecenter.com/resource/MedicarefirstEAEtool>

MA enrollment process overview

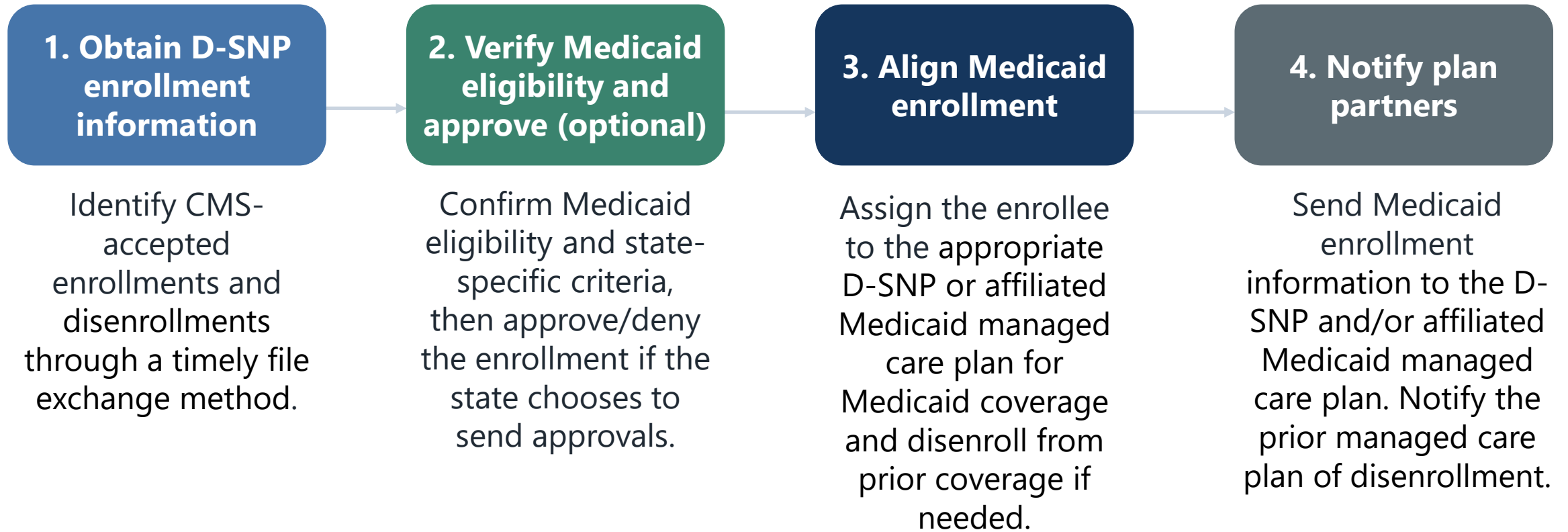


Key takeaways – Background on EAE and overview of the MA enrollment process

- EAE helps to achieve greater integration of Medicare and Medicaid benefits. Certain D-SNPs must operate with EAE in 2030.
- States can effectuate EAE through two methods:
 - Medicaid-first EAE, wherein the state requires D-SNPs to only enroll full-benefit dually eligible individuals who already receive Medicaid benefits from an affiliated Medicaid managed care plan offered by the same parent organization as the D-SNP.
 - Medicare-first EAE, through which the state takes steps to align Medicaid enrollment with D-SNP enrollment.
- When a dually eligible individual requests to enroll in a D-SNP, the D-SNP must verify the individual's eligibility then submit the enrollment transaction to CMS for review.

Key steps in aligning Medicaid enrollment with D-SNP enrollment

Overview of key steps for states to align Medicaid enrollment with D-SNP enrollment



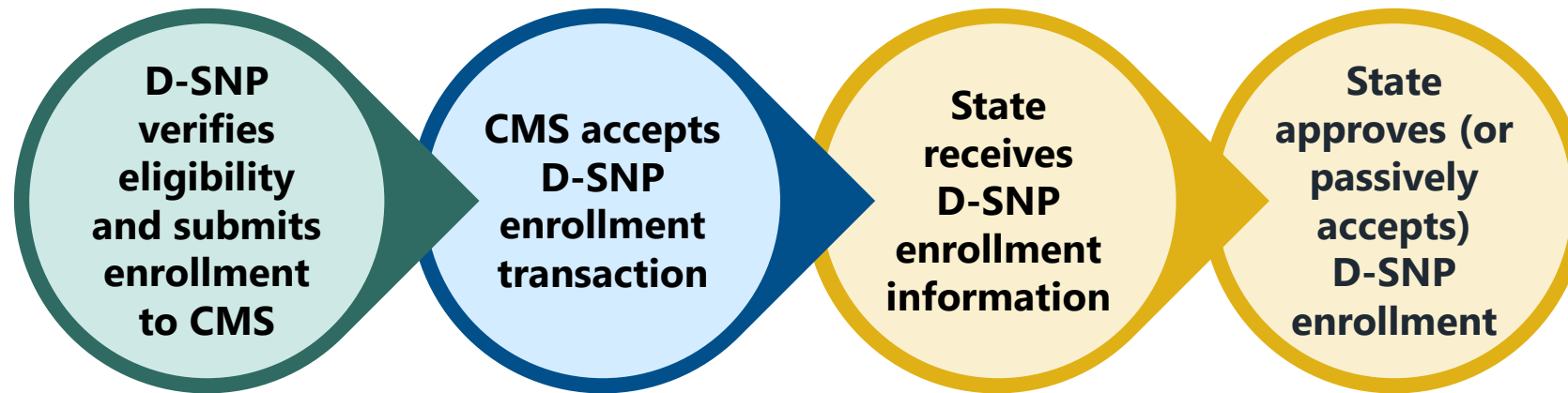
Step 1: Obtain D-SNP enrollment information

File	Description	Source
Territories & States Beneficiary Query (TBQ)	<ul style="list-style-type: none"> States query CMS to receive Medicare eligibility and enrollment data, including accepted D-SNP enrollments. Many states already use this file for other purposes, such as enrolling eligible beneficiaries into the Part D low-income subsidy (LIS) program. 	CMS
Daily files from D-SNPs	<ul style="list-style-type: none"> D-SNPs send daily enrollment and disenrollment files to the state, often using the 834 file format. States can establish state-specific requirements for file submission. 	D-SNPs
Daily Transaction Reply Report (DTRR) <i>(not recommended for states that do not already use these files)</i>	<ul style="list-style-type: none"> D-SNPs can request “dual routing” so a state can receive copies of plans’ DTRR files, which indicate CMS acceptance or rejection of plan transactions, changes initiated by CMS (such as involuntary disenrollments), and informational changes about plan enrollees. Useful when a state has prior experience using DTRR files. May be overwhelming for states that do not already use these files. 	CMS

Do not use Medicare Modernization Act (MMA) files for EAE!

While states exchange MMA files with CMS on a daily basis, states only submit full MMA files once a month. Daily MMA files are only used to submit changes or adjustments to that full file. As a result, states will not be able to obtain Medicare enrollment information from these files quickly enough for EAE processing – potentially causing major lags between D-SNP and Medicaid managed care enrollment effective dates.

Step 2: Verify Medicaid eligibility and approve D-SNP enrollment (optional step)



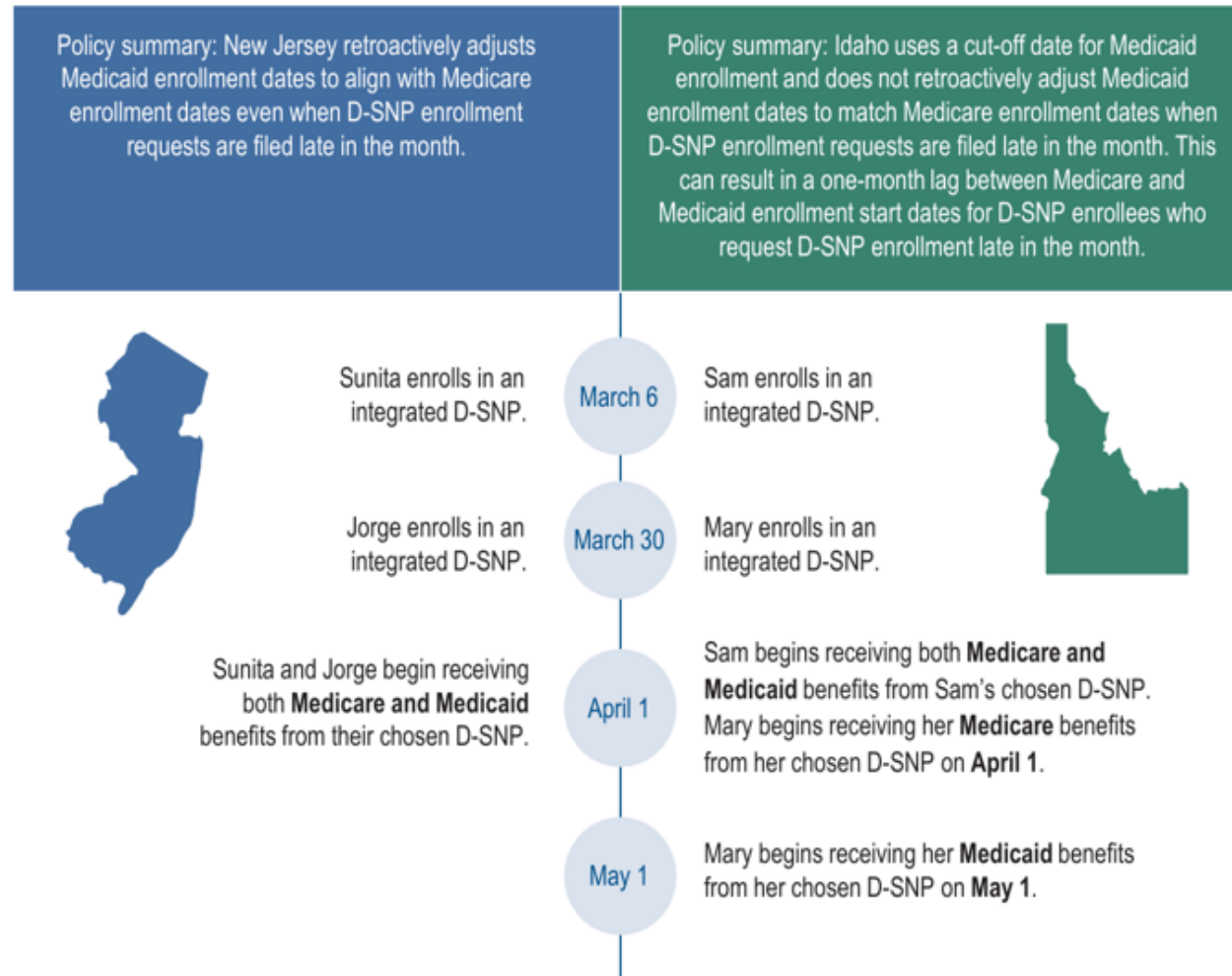
- State verification generally focuses on: (1) Medicaid eligibility and state-specific criteria, including excluded subpopulations; and (2) state approval/denial messaging to the D-SNP (if the state chooses to send formal response files).
- When a state denies a D-SNP enrollment, the D-SNP must: (1) cancel the enrollment if it is not yet effective; or (2) disenroll the person if the D-SNP learns of the state's denial after the enrollment effective date.
- States that passively accept enrollments may still conduct periodic audits to confirm D-SNP compliance with state eligibility requirements.

Step 3: Align Medicaid enrollment with Medicare enrollment – enrollment processing

- Leverage existing Medicaid managed care systems, processes and contractors.
 - For example, if an enrollment broker currently processes Medicaid managed care plan enrollment changes on behalf of the state, the state may want to notify the enrollment broker of D-SNP enrollments and have the enrollment broker process the necessary Medicaid managed care plan changes to align Medicaid enrollment with D-SNP enrollment.
- See ICRC's TA brief on Medicare-first EAE for enrollment scenario tables that states can use to determine processes for aligning Medicaid enrollment with D-SNP enrollment:
<https://integratedcareresourcecenter.com/resource/MedicarefirstEAEtool>

Step 3: Align Medicaid enrollment with Medicare enrollment – effective date

- D-SNP enrollments are effective the first day of the month after the enrollment request is submitted, even late in the month.
- If Medicaid managed care enrollment change is submitted after the state cut-off date, the new Medicaid plan enrollment may start one month later than D-SNP enrollment (unless the state chooses to adjust its process to align the Medicaid effective date with the D-SNP effective date).



Step 4: Notify plans of Medicaid enrollment/ disenrollment

- After taking steps to align Medicaid enrollment with Medicare enrollment, the state must notify the affected Medicaid managed care plans of the enrollment changes. Specifically, the state must notify:
 - The new Medicaid managed care plan of the dually eligible individual's enrollment into that plan; and
 - The prior Medicaid managed care plan of the dually eligible individual's disenrollment from that plan.
- States typically share this information via timely (often daily) 834 files.

Key takeaways – Key steps in aligning Medicaid enrollment with D-SNP enrollment

- **States typically use four steps to advance Medicare-first EAE:** (1) obtaining information about D-SNP enrollment; (2) reviewing and approving the D-SNP enrollment (if the state chooses to do so); (3) aligning Medicaid enrollment with Medicare enrollment; and (4) notifying affected plans of the new enrollment/disenrollment.
- **Use timely D-SNP enrollment data to drive alignment.** States can use TBQ files, daily D-SNP files, or DTRR files, but should avoid using MMA files for EAE processing.
- **Establish clear roles, notification processes, and scenario-based procedures.** States, contractors, D-SNPs, CMS, and Medicaid managed care plans (as applicable) should understand who sends and receives files, who acts on enrollments and disenrollments, and how common scenarios will be handled.

Key decisions for states in planning for Medicare-first EAE

Decision 1: D-SNP enrollments and disenrollments

- To assign a dually eligible D-SNP enrollee to the applicable Medicaid managed care plan in a timely manner, the state (or a state contractor) will need to identify D-SNP enrollment quickly and on a regular basis.
- A state will also need to identify D-SNP disenrollments (including both voluntary and involuntary disenrollments) to make necessary changes to an individual's Medicaid enrollment when applicable.
- In addition to selecting a method of file exchange to identify D-SNP enrollments and disenrollments (TBQ file, DTRR, or a direct file from the D-SNP), the state must determine the frequency with which it will obtain the information (daily file exchanges are recommended).

Decision 2: Reviewing and approving D-SNP enrollments

- D-SNPs must verify a dually eligible individual's Medicare and Medicaid eligibility, as well as any state-specific eligibility criteria, prior to submitting an enrollment transaction to CMS for review.
- To ensure a D-SNP enrollment is appropriate, a state may opt to also verify Medicaid eligibility, as well as any applicable state eligibility criteria, and provide the D-SNP with formal approval or denial of the D-SNP enrollment.
 - CMS will not verify Medicaid eligibility or state-specific eligibility criteria when approving a D-SNP enrollment transaction.
- A state must choose to either:
 - 1) Verify Medicaid eligibility for individuals who have been enrolled in D-SNPs and notify D-SNPs of the state approval or denial of those enrollments; **or**
 - 2) Passively accept all identified D-SNP enrollments and align Medicaid enrollment accordingly.

Decision 3: Determining roles and responsibilities

When developing EAE processes, states must determine who (the state or a state contractor) will be responsible for:

- 1) Identifying D-SNP enrollments and disenrollments;
- 2) Reviewing and approving/denying the D-SNP enrollment (if applicable), and notifying the D-SNP of that approval/denial;
- 3) Processing Medicaid managed care enrollment changes to align Medicaid enrollment with D-SNP enrollment and updating state systems accordingly; and
- 4) Notifying the D-SNP or the D-SNP's affiliated Medicaid managed care plan of the new Medicaid enrollment (and disenrollment, if applicable).

Example D-SNP enrollment scenario with defined roles and responsibilities

Actions Taken By:					
Scenario	Beneficiary	D-SNP	CMS	State (or state contractor)	Medicaid managed care plan(s)
<p>Dually eligible individual who is currently enrolled in fee-for-service Medicaid chooses to enroll in an integrated D-SNP or a dually eligible individual who is in a [state Medicaid managed care program] plan chooses to enroll in an integrated D-SNP through a different parent organization than their current [state Medicaid managed care program] plan</p>	<p>Enrolls in D-SNP by (1) contacting the D-SNP; (2) calling 1-800-MEDICARE or submitting an enrollment request via Medicare.gov; or (3) consulting an agent or broker who can assist with submitting an enrollment request</p>	<ul style="list-style-type: none"> Receives enrollment request from beneficiary or CMS Determines Medicare eligibility for D-SNP using data exchange with CMS; determines Medicaid eligibility and any other state-specified eligibility criteria via <i>[describe state system(s) that the D-SNP will access/steps they will take to verify Medicaid eligibility and any other state-specified eligibility requirements]</i> If eligibility established, submits enrollment transaction to CMS <i>[Insert and edit if applicable: If the state rejects the D-SNP enrollment transaction and/or does not include the individual in the state's response file, the D-SNP cancels the enrollment (if rejection is received prior to enrollment effective date) or disenrolls the beneficiary (if rejection is received after enrollment effective date)]</i> Sends beneficiary enrollment notice and enrollment materials (including applicable integrated plan materials/member ID card) 	<ul style="list-style-type: none"> If beneficiary contacts 1-800-MEDICARE for enrollment assistance, a 1-800-MEDICARE customer service representative assists the beneficiary and submits an application to the plan via the CMS Health Plan Management System (HPMS) for eligibility verification and processing Receives enrollment transaction from D-SNP, accepts/rejects the transaction, and signals acceptance/rejection in the plan's Daily Transaction Reply Report (DTRR) 	<p>D-SNP eligibility verification:</p> <ul style="list-style-type: none"> State enables D-SNPs to verify Medicaid eligibility and other state-specified eligibility requirements prior to D-SNP enrollment using the <i>[insert process to verify Medicaid eligibility]</i> <p>Medicaid enrollment alignment:</p> <ul style="list-style-type: none"> State receives D-SNP enrollment information from <i>[insert the file exchange process (e.g., TBQ file, DTRR, file from the D-SNP)]</i> <i>[If applicable, describe how the state will notify the D-SNP of acceptance and/or rejection of D-SNP enrollment]</i> <i>[Insert steps that the state and/or state contractor(s) will take to: 1) change the dually eligible individual's Medicaid enrollment to match the D-SNP enrollment; and 2) notify the applicable Medicaid managed care plan(s) of the enrollment change]</i> 	<ul style="list-style-type: none"> Former Medicaid plan (if applicable) learns of the beneficiary's disenrollment via <i>[insert the file exchange process]</i> New Medicaid plan learns of the beneficiary's enrollment into that plan via <i>[insert the file exchange process]</i> New Medicaid plan may need to suppress issuance of enrollment-related materials that will already be issued in integrated form by the D-SNP

Decision 4: Establishing policy for Medicaid enrollment effective dates

- Some state Medicaid programs have a cut-off date policy for Medicaid managed care plan enrollments.
 - In these states, a Medicaid managed care enrollment request that is submitted late in a month (for example, on May 27) may result in an enrollment effective date that is one month after the enrollment request date (for example, July 1 instead of June 1).
- When establishing EAE policy, a state must decide whether the Medicaid managed care enrollment effective date will **align with or lag behind** the D-SNP enrollment effective date when an individual enrolls in a D-SNP after the state's Medicaid managed care enrollment cut-off date.
- A state may choose to:
 - 1) Establish processes that adjust Medicaid managed care enrollment effective dates to align with D-SNP enrollment effective dates for its integrated D-SNP program; **or**
 - 2) Have Medicaid managed care enrollment effective dates lag behind D-SNP enrollment effective dates by one month.
- States that choose to have a lag must make sure that D-SNP enrollees understand this misalignment and its implications for their Medicaid coverage.

Decision 5: Incorporating plan requirements into contracts

- In establishing roles and responsibilities for EAE processes, states may want D-SNPs and/or Medicaid managed care plans to take on certain responsibilities.
 - For example, a state may require a D-SNP to send enrollment and disenrollment files to the state (or a state contractor) and/or require a Medicaid managed care plan to notify the D-SNP when a D-SNP enrollee is disenrolled from the Medicaid managed care plan (thereby making the person ineligible for the D-SNP).
- These requirements should be clearly delineated in the state's contract(s) with the health plan(s) to ensure enforceability.

Key takeaways – State decisions

- States using Medicare-first EAE will need to:
 - Identify a method of learning about D-SNP enrollments and disenrollments that will enable the state to identify these enrollment changes in a timely manner and align Medicaid enrollment accordingly.
 - Decide if they will verify Medicaid eligibility and notify D-SNPs of enrollment approval/denial or passively accept all D-SNP enrollments.
 - Assign clear roles and responsibilities for eligibility verification, enrollment alignment, system updates, and plan notifications and include EAE-related requirements in contracts with D-SNPs (and Medicaid managed care plans, where applicable).
 - Decide whether Medicaid enrollment will align with or lag behind D-SNP enrollment if an enrollment request occurs after the state's Medicaid enrollment cut-off date.

Examples of states' technical approaches to implementing EAE

New Jersey

- **Step 1: Beneficiary** requests to enroll in a FIDE SNP.
- **Step 2: FIDE SNP** verifies Medicare and Medicaid eligibility and processes the D-SNP enrollment with CMS.
- **Step 3: FIDE SNP** submits an 834 file (showing beneficiary enrollment) to the state for review.
- **Step 4: State** generates files that are sent back to the D-SNP, approving or denying the enrollment based on state Medicaid eligibility data.
- **Step 5: FIDE SNP** sends final, approved 834 to state.
- **Step 6: State** uses that file to generate EAE enrollment and capitation files for the next enrollment month.
- **Step 7: State** auto-assigns the beneficiary to the FIDE SNP for coverage of Medicaid benefits, using retroactive enrollment start dates when necessary to align Medicaid managed care enrollment with D-SNP enrollment.

New York (Medicaid Advantage Plus Program)

Step 1: Beneficiary requests to enroll in a FIDE SNP.

Step 2: FIDE SNP verifies Medicare and Medicaid eligibility and processes the D-SNP enrollment with CMS.

Step 3: State identifies the change in the beneficiary's Medicare enrollment using MMA and TBQ file exchanges with CMS and notifies the enrollment broker of the change in enrollment. **Enrollment broker** processes Medicaid enrollment into the Medicaid plan affiliated with the beneficiary's chosen D-SNP.

- If the D-SNP enrollment is processed late in the month, the Medicaid managed care enrollment effective date will lag behind the D-SNP enrollment effective date by one month.

Step 4: Enrollment broker sends the Medicaid plan daily 834 files to notify the plan of new enrollments.

- 834 files are also used to indicate rejection of D-SNP enrollment requests.

Michigan

Step 1: Beneficiary requests to enroll in an integrated HIDE SNP.

Step 2: HIDE SNP verifies Medicare and Medicaid eligibility and processes the D-SNP enrollment with CMS.

Step 3: State identifies the change in the beneficiary's Medicare enrollment using the TBQ file exchange with CMS and assigns the beneficiary to the D-SNP for Medicaid benefits based on D-SNP enrollment information.

- In Michigan, the Medicaid enrollment start date will align with the Medicare enrollment start date because the state has established processes to achieve such alignment.

Step 4: State sends a daily 834 file to the D-SNP showing Medicaid enrollment in the D-SNP and confirming that the enrollment is approved by the state. **State** also sends the D-SNP a monthly audit file that includes all active enrollments.

Illinois

Step 1: Beneficiary requests to enroll in a FIDE SNP.

Step 2: FIDE SNP verifies Medicare and Medicaid eligibility and processes the D-SNP enrollment with CMS.

Step 3: State's enrollment broker receives a copy of the D-SNP's DTRR files from CMS and uses those files to identify the beneficiary's enrollment into the D-SNP. **Enrollment broker** notifies state of D-SNP enrollment.

Step 4: State reviews the beneficiary's eligibility for the D-SNP and sends the D-SNP a response file indicating approval or denial of D-SNP enrollment. **State** notifies the enrollment broker of its approval or denial of the D-SNP enrollment.

Step 5: Enrollment broker assigns the beneficiary to the D-SNP for Medicaid benefits.

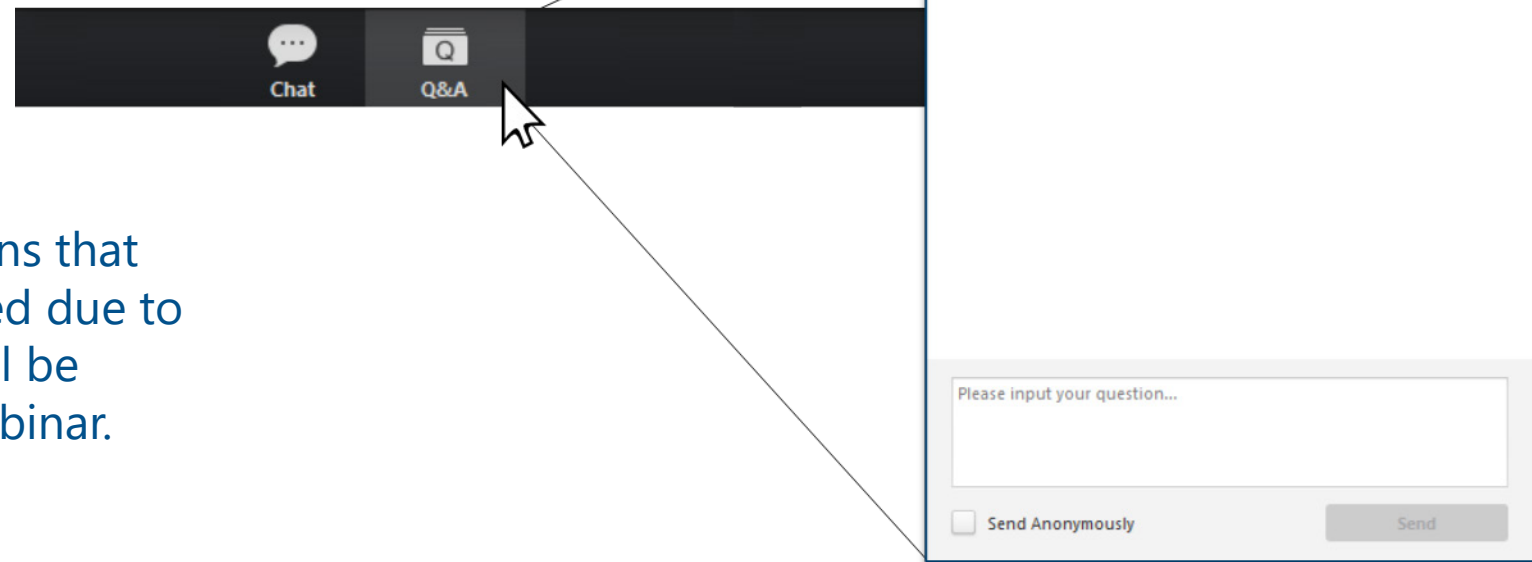
- In Illinois, the Medicaid enrollment start date will align with the Medicare enrollment start date because the state has established processes to achieve such alignment.

Step 6: State sends daily 834 file to the D-SNP showing Medicaid enrollment.

Questions?

Questions?

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Answers to questions that cannot be addressed due to time constraints will be shared after the webinar.

ICRC Is Here to Help

**Interested in advancing integration?
ICRC is available to provide one-on-one technical
assistance to states seeking to better integrate care for
their dually eligible populations.**

Email ICRC@mathematica-mpr.com

Thank you!
